



PUBLIC NOTICE

Federal Communications Commission
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DA 05-1550

Released: May 27, 2005

DOMESTIC SECTION 214 APPLICATION FILED FOR TRANSFER OF CONTROL OF BLACK HILLS FIBERCOM, INC. TO PRAIRIEWAVE COMMUNICATIONS, INC.

STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 05-201

Comments Due: June 10, 2005

Reply Comments Due: June 17, 2005

On May 23, 2005, PrairieWave Communications, Inc. ("PrairieWave"), Black Hills Corporation, Black Hills Fiber Systems, Inc. ("Black Hills Fiber Systems" or fka "Black Hills FiberCom, Inc."),¹ and Black Hills FiberCom, L.L.C. ("Black Hills FiberCom, LLC") (collectively, "Applicants"), filed an application, pursuant to section 63.03 and 63.04 of the Commission's rules,² requesting authority to transfer control of Black Hills FiberCom, Inc.'s domestic Section 214 authorizations to PrairieWave as a result of PrairieWave's acquisition of all of the stock of Black Hills Fiber Systems.³

Applicants assert that this transaction is entitled to presumptive streamlined treatment pursuant to section 63.03(b)(2)(i) of the Commission's rules because the proposed transaction will result in (1) PrairieWave having a market share in the interstate, interexchange market of less than ten percent (10%); (2) PrairieWave will provide competitive telephone exchange services or exchange access services exclusively in geographic areas served by a dominant local

¹ The Applicants state that Black Hills FiberCom, Inc. holds the domestic section 214 authorization and has subsequently changed its name to Black Hills Fiber Systems, Inc. By an amendment filed May 27, 2005, the Applicants corrected certain deficiencies in its initial application.

² 47 C.F.R. §§ 63.03, 63.04; see 47 U.S.C. § 214.

³ Applicants are also filing applications for transfer of control associated with authorization for international services and for transfer of control of wireless licenses related to this transaction. Any action on this domestic 214 application is without prejudice to Commission action on other related, pending applications.

exchange carrier that is not a party to the transaction and; (3) neither the Applicants nor any of their affiliates are regulated as dominant with respect to any service.⁴

Black Hills Corporation, a South Dakota corporation, is a diversified energy company and a public utility holding company under the Public Utility Holding Company Act of 1935. Black Hills Corporation, with its subsidiaries, operates in non-regulated wholesale energy and retail services. The retail services include communications operations provided through its subsidiaries Black Hills Fiber Systems and Black Hills FiberCom, LLC. Black Hills Fiber Systems, a South Dakota corporation, is the parent of Black Hills FiberCom, LLC, a South Dakota limited liability company. Black Hills FiberCom, LLC, a competitive local exchange carrier (LEC), is the primary communications subsidiary of Black Hills Corporation and offers broadband telecommunications services, including local and long distance telephone services, expanded cable television service, cable modem Internet access and high-speed data video services, to approximately 27,000 residential and business customers located in Rapid City and the northern Black Hills region of South Dakota.

PrairieWave, a Delaware corporation, provides communications services over its own fiber optic, copper and coaxial cable facilities throughout its service area and provides interexchange services through resale arrangements with other carriers. PrairieWave Holdings, Inc., also a Delaware corporation, owns 100% of PrairieWave. PrairieWave is the parent of PrairieWave Community Telephone, Inc., a rural independent LEC, and PrairieWave Telecommunications, Inc., a competitive LEC, providing cable television, exchange and exchange access service, high-speed and dial-up Internet access and collocation in Iowa, Minnesota and South Dakota. PrairieWave Community Telephone, Inc. and PrairieWave Telecommunications, Inc. are South Dakota corporations. The following entities directly or indirectly own ten percent or more of PrairieWave and PrairieWave Holdings, Inc: (1) Alta Communications VIII, L.P., a U.S. limited partnership, owns 42%; and (2) BancAmerican Capital Investors I, L.P., a U.S. limited partnership, owns 45%.

On April 20, 2005, PrairieWave, Black Hills Corporation, Black Hills Fiber Systems, and certain direct, wholly owned subsidiaries of Black Hills Fiber Systems signed a stock purchase agreement. This agreement will result in PrairieWave owning 100% of the stock of Black Hills Fiber Systems and its subsidiaries, including Black Hills FiberCom, LLC. Upon consummation of this proposed transaction, Black Hills Fiber Systems and its subsidiaries, including Black Hills FiberCom, LLC, will become wholly owned subsidiaries of PrairieWave.

Applicants assert that the transfer of control of Black Hills Fiber Systems to PrairieWave will serve the public interest, convenience, and necessity. According to the Applicants, while the proposed transaction will benefit the customers of Black Hills FiberCom, LLC and PrairieWave, two competitive LECs, and enhance competition in the telecommunications industry, it will not raise any anti-competitive issues. Applicants state that local consumers will benefit because these two strong competitive LECs share a similar serving strategy, customer focus, and rural

⁴ 47 C.F.R. § 63.03(b)(2)(i).

market commitment and following the transfer, Black Hills FiberCom, LLC and PrairieWave will continue to provide high-quality communications services to their customers at the same rates, terms, and conditions. The Applicants also add that the transfer of control will occur without any reduction or impairment of service and will otherwise be completely transparent to the customers. Moreover, the Applicants state that the proposed transaction will increase the scope of each of the existing companies and should enable the combined companies to compete more effectively in the highly competitive market for telecommunications services.

GENERAL INFORMATION

The transfer of control identified herein has been found, upon initial review, to be acceptable for filing as a streamlined application. The Commission reserves the right to return any application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules and policies. Interested parties may file **comments on or before June 10, 2005** and **reply comments on or before June 17, 2005**.⁵ Unless otherwise notified by the Commission, this application will be deemed granted on the 31st day after the date of this notice.⁶ Comments may be filed using the Commission's Electronic Comment Filing System (ECFS) or by filing paper copies. *See Electronic Filing of Documents in Rulemaking Proceedings*, 63 Fed. Reg. 24121 (1998).

Comments filed through the ECFS can be sent as an electronic file via the Internet to <<http://www.fcc.gov/e-file/ecfs.html>>. Generally, only one copy of an electronic submission must be filed. If multiple docket or rulemaking numbers appear in the caption of this proceeding, however, commenters must transmit one electronic copy of the comments to each docket or rulemaking number referenced in the caption. In completing the transmittal screen, commenters should include their full name, U.S. Postal Service mailing address, and the applicable docket or rulemaking number. Parties may also submit an electronic comment by Internet e-mail. To get filing instructions for e-mail comments, commenters should send e-mail to ecfs@fcc.gov, and should include the following words in the subject line "get form <your e-mail address>." A sample form and directions will be sent in reply.

Parties who choose to file by paper must file an original and four copies of each filing. If more than one docket or rulemaking number appears in the caption of this proceeding, commenters must submit two additional copies for each additional docket or rulemaking number. Filings can be sent by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail (although we continue to experience delays in receiving U.S. Postal Service mail). The Commission's contractor, Natek, Inc., will receive hand-delivered or messenger-delivered paper filings for the Commission's Secretary at 236 Massachusetts Avenue, N.E., Suite 110, Washington, D.C. 20002. The filing hours at this location are 8:00 a.m. to 7:00 p.m. All hand deliveries must be held together with rubber bands

⁵ See 47 C.F.R. § 63.03(a).

⁶ Such authorization is conditioned upon receipt of any other necessary approvals from the Commission in connection with the proposed transaction.

or fasteners. Any envelopes must be disposed of before entering the building. Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9300 East Hampton Drive, Capitol Heights, MD 20743. U.S. Postal Service first-class mail, Express Mail, and Priority Mail should be addressed to 445 12th Street, SW, Washington, D.C. 20554. All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

In addition, one copy of each pleading must be sent to each of the following:

- (1) The Commission's duplicating contractor, Best Copy and Printing, Inc., 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20554; e-mail: www.bcpweb.com; phone: 202-488-5300 fax: 202-488-5563;
- (2) Tracey Wilson-Parker, Competition Policy Division, Wireline Competition Bureau, 445 12th Street, S.W., Room 5-C437, Washington, D.C. 20554; e-mail: tracey.wilson-parker@fcc.gov;
- (3) Denise Coca, Competition Policy Division, Wireline Competition Bureau, 445 12th Street, S.W., Room 5-C260, Washington, D.C. 20554; e-mail: denise.coca@fcc.gov;
- (4) Renee R. Crittendon, Competition Policy Division, Wireline Competition Bureau, 445 12th Street, S.W., Room 5-C311, Washington, D.C. 20554; e-mail: renee.crittendon@fcc.gov;
- (5) Susan O'Connell, Policy Division, International Bureau, 445 12th Street, S.W., Room 7-B544, Washington, D.C. 20554; email: susan.o'connell@fcc.gov; and
- (6) James Bird, Office of General Counsel, 445 12th Street, S.W., Room 8-C740, Washington, D.C. 20554; e-mail: james.bird@fcc.gov.

Filings and comments are also available for public inspection and copying during regular business hours at the FCC Reference Information Center, Portals II, 445 12th Street, SW, Room CY-A257, Washington, DC, 20554. They may also be purchased from the Commission's duplicating contractor, Best Copy and Printing, Inc., Portals II, 445 12th Street, SW, Room CY-B402, Washington, DC, 20554, telephone: 202-488-5300, fax: 202-488-5563, or via e-mail www.bcpweb.com.

For further information, please contact Tracey Wilson-Parker, at (202) 418-1394, or Denise Coca at (202) 418-0574.

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